

SERVICE CORPORATION INTERNATIONAL

SCI EASILY HITS SAVINGS TARGETS WITH COUPA

	CUSTOMER Service Corporation International
	LOCATION Houston, Texas
	INDUSTRY Hospital & Healthcare
	COMPANY SIZE 5,000 +

Service Corporation International (NYSE: SCI), headquartered in Houston, Texas, is North America's leading provider of deathcare products and services. SCI owns and operates 1,638 funeral homes and 515 cemeteries (of which 283 are combination locations) in 43 states, eight Canadian provinces, the District of Columbia, and Puerto Rico.



**Service
Corporation
International**

"WE RECENTLY COMPLETED OUR BUSINESS CASE TO QUANTIFY SAVINGS OVER A THREE-YEAR PERIOD. WE HIT OUR TARGET NUMBER IN THE FIRST YEAR AND ARE ON TRACK TO DO THE SAME IN THE SECOND YEAR."

RONE LUCZYNSKI, MANAGING DIRECTOR OF PROCUREMENT SUPPLY CHAIN

Coupa: Could you give us an overview of SCI's business and your role at the company?

Rone: My name is Rone Luczynski. I am the Managing Director of Procurement Supply Chain for Service Corporation International. We are North America's leading deathcare provider, based in Houston, Texas. We have over 2,100 locations coast-to-coast both in Canada and in the U.S., the District of Columbia, and Puerto Rico. Across that span of control, we're about a little over \$3 billion in revenue.

Coupa: We know you went through an extensive evaluation process for a spend management solution. What did you see in Coupa that stood out from the competition?

Rone: What made it really easy to select Coupa was its ease of use. It was very easy to use. It was very intuitive. We have 27,000 employees, with 5000 users on Coupa right now.

Because our employee base tends to skew older, we knew we were going to need

SUCCESS METRICS

- ▶ Locations save 30+ hours/week not doing manual invoice coding
- ▶ 98% of P.O.s sent electronically to 160,000 suppliers

"Once people recognized how easy Coupa was, user adoption was simple and fast."

RONE LUCYZNSKI,
SCI

something that was very intuitive. There are a lot of folks who said that they didn't know how to right click a mouse. It was critical that we found something that was very easy to train, and very easy to operate. And Coupa fit that bill.

Coupa: Where there other deciding factors that made choosing Coupa easy?

Rone: There was a lot of criteria, actually, on why we chose Coupa. In addition to that ease of use, cost was another one. And Coupa's ability to roll it out very quickly had a bearing on our decision as well. Our original timeline was actually 18 months, but with Coupa we reached phase one in only nine months. We actually put all our suppliers through the system in a single day.

Coupa: How would you describe the implementation process?

Rone: Coupa's been very good about taking our requests for enhancements to the system and building them into future releases. They were great at partnering with us to install a lot of things our accounting group needed to enhance that product on the back end. Ultimately, we rolled Coupa out in one day for the entire corporation.

Coupa: Has Coupa's mobile access has given you more flexibility or improved the approval process with faster approval turnaround?

Rone: Mobile access was definitely a great selling point. One of the things our prior system did not have was mobility. And that's something our user base was really hoping we could deliver, especially for that part of the base that includes folks who actually are the approvers and who travel a lot. Best of all, it took five seconds how to train them to approve an invoice. It's very intuitive. In fact, there was really not any training to speak of.

Coupa: With the improvements in processing time, have you been able to quantify the operational advantages to SCI?

Rone: There are a lot of metrics that we have tracked around the project. We created a working capital initiative around Coupa. We created reports around payment terms and actual invoice processing and know that we are turning things around a few days quicker than we ever did before. It's made a difference to the bottom line by the savings we gain from better payment timing.

For example, with the old system, we weren't hitting discounts on invoice payments as much as we would like. Coupa has not only brought visibility to that, but it's given us the ability to target areas where weren't capturing discounts fast enough and now we are. In many cases, we are processing invoices a lot quicker than we were before.

Coupa: Have these improvements all led to a financial advantage as well? Have you identified savings that you can tie directly to using Coupa?

Rone: We recently completed our business case to quantify savings over a three-year period. While the number, unfortunately, is confidential, I can tell you that we hit our target number in the first year and are on track to do the same in the second year.

There were three components to our evaluation. There was a tax piece and an AP piece around transactional savings, but the vast majority was around leveraging scale initiatives – it was really about getting the right data to eliminate rogue spend,

optimize the vendor base, and optimize the item and SKU base. One of the great things about Coupa is that we have a high item-level visibility that, in many cases, we never had before.

Coupa: I can appreciate that an older employee base might balk at new systems, but how was Coupa received by your users?

Rone: Our best approach was to draw a comparison to other very common activities that we knew our employees were familiar with. I asked them, "How many of you have bought on Amazon or eBay? If you can do that, you can use Coupa. It's not that big of a stretch." Once people recognized how easy Coupa was, user adoption was simple and fast.

Coupa: So, to your employees, what's the one word you'd use to describe Coupa?

Rone: Easy. Coupa is easy.